SOCAN is one of the most transparent – if not the most transparent – performing rights organization (PRO) in the world. That's a bold statement to make, but we believe it's true.

By intent and by design, SOCAN has always worked to ensure that our members, licensees and the public have a clear and thorough understanding of what we do, and how and why we do it. We embrace transparency and share our information both because it's the right thing to do, and because it better serves our stakeholders, encourages their engagement with us, and – if information is power – can even foster improvement in our members’ careers.

Nowhere is this more evident than in the way we work with our members. We pride ourselves on allowing our members maximum, transparent access to the information they want and need most. Our online royalty statements can be searched right down to the exact TV or radio station or network that aired the member's music. The only limit is the information that is available to SOCAN itself.

Online, our members have access to so-called “drill-down” tools that enable them to understand at a granular level how their royalties were generated. They can preview their performance royalties for the next quarterly payment date, which allows them to plan accordingly. We provide an online calculator tool that allows members to calculate potential performance royalties, depending on the kind of performance. Members can read, in plain English or French, the distribution rules that explain exactly where the royalty revenue is coming from. We live-stream our Annual General Meeting, so that any SOCAN members, wherever they happen to be on that day, can attend online, and even ask questions via e-mail.

SOCAN is the only PRO in the world to offer all of these services to its members and we have been doing it for years, with new initiatives being considered for the near future.

We're similarly transparent with businesses that license music. SOCAN is also the only PRO to provide businesses with an online tool and report forms that allow them to calculate their potential licence amounts, based specifically on how they're using the music.

On socan.ca, we explain music uses to businesses in plain language, including new media. We also provide eSOCAN services that allow licensees to view their statements, their reports (if submitted online), and records of online payment. Our user-friendly Information Centre was created specifically to answer any questions that members, licensees, or the public might have about SOCAN.
And we’re transparent with the general public, too. We publish an audited financial statement every year at socan.ca, and detailed biographies of our executives and our Board of Directors. SOCAN prides itself on a policy of access and open communication with news media, with whom we’re ready and willing to discuss even the most sensitive topics. Our blog (socanblog.ca) and social media (SOCANmusic) are open forums for comment.

SOCAN has been, is, and will always remain transparent and open to our more than 125,000 member songwriters, composers, lyricists, film & TV scorers and music publishers; more than 125,000 businesses using music that are Licensed to Play by SOCAN; and to the public at large.

It's clear to me: SOCAN is the most transparent performing rights organization in the world.
A MESSAGE FROM SOCAN PRESIDENT STAN MEISSNER

The year 2014 was an exciting one for SOCAN, celebrating our 25th year as a performing rights organization (PRO) in Canada.

Continuing down SOCAN’s path of reinvention, there were many changes and innovations throughout 2014. Among them was the unveiling, at our 25th annual SOCAN Award Gala, of the new award to celebrate major special achievements of our members.

SOCAN’s tagline is “Music. People. Connected.,” and that simple phrase really captures what SOCAN is all about. Connecting people to music, and ensuring that we’re all fairly compensated for its use, is something that we’re passionate about, and it’s a concept we fight diligently to protect. It’s no coincidence that the first thing SOCAN is about is music, and what could be more appropriate than to have the world’s first music award that is also a musical instrument. As both a trophy and an instrument, “The SOCAN” is truly a thing of beauty.

Another major activity during the year was all of the work undertaken in transforming the SOCAN Montreal office, both in preparation for moving to its new premises in early 2015, and in some reorganization and staffing changes. We were pleased to see Geneviève Côté, a former publisher Board member from Montreal, come aboard as SOCAN’s first Chief Quebec Affairs Officer. Replacing Geneviève on the board, according to our previous election results, we were happy to welcome Patrick Curley from Third Eye Music.

SOCAN has seen a year of activity on the copyright front, both with the Copyright Board of Canada and the U.S. Department of Justice (DOJ), who have been busy with actions that affect us as songwriters and publishers in the performing rights organization world.

In Canada, the Copyright Board issued rulings on Tariff 22.D regarding audio-visual (AV) works on the Internet, which had a very positive impact for SOCAN. For T-22.D.1, regarding online AV services, tariffs were confirmed at 1.7 percent for 2007-2010 and 1.9 percent for 2011 to 2013. These tariffs, in addition to other parts of Tariff 22, brought in more than $12-million in 2014. As a result, throughout 2014, our Tariff, Licensing and Distribution committee and Board approved a new audio-visual internet distribution pool to facilitate distributing these new online AV revenues.

In the U.S., we’ve been closely monitoring the situation with ASCAP and BMI, who have to work within the decades-old consent decrees, set by the DOJ, to attempt to protect the market from potential anti-trust concerns. These consent decrees and recent court decisions have been
creating problems for publishers and the PROs, with regard to publishers’ abilities to withdraw certain rights and negotiate direct deals, with the rate courts insisting on “all or nothing” relationships between the publishers and the U.S. PROs. This is an evolving situation, and while we continue to actively investigate the potential impact of these actions on SOCAN, we’ve also been examining opportunities for us to be able to thrive in the changing landscape.

Throughout 2014, SOCAN continued down its path of innovation and modernization by further developing our BEST (Business Enterprise Solution for Tomorrow) computer system in order to deal with the explosive data requirements necessary to track the billions of performances in the digital world. The first parts of the system, the Financial and Issue Tracking modules, were deployed in 2014. Ongoing work will see Licensing, Repertoire and Performance information functions handled by BEST in the near future, with the entire system being fully operational by the end of 2016.

In addition to these activities, as part of the ongoing annual work of the Board of Directors and its standing committees: Executive Governance; Risk Identification & Management; Tariff, Licensing and Distribution; and Membership, we engaged in a multitude of tasks, including monitoring and reviewing budgets and forecasts; managing SOCAN’s investments and other financial activities; conducting a 360-degree evaluation of the CEO’s performance; engaging in a thorough Board and peer assessment; overseeing our many member events, including our AGM and awards ceremonies; and reviewing our communication strategies, policies and activities.

Finally, through its affiliation with SOCAN, the Canadian Songwriters Hall of Fame (CSHF) saw its footprint increase with its new website launch as well as the rollout of music education content, in association with Magic Lantern Media, based on the songs already inducted into the CSHF. This initiative will teach the value and cultural significance of Canadian music and, specifically, the impact of songs and songwriters. The CSHF also announced a new partnership with CBC Music allowing for monthly song inductions with original new videos of contemporary artists performing inducted songs, beginning in 2015.

All in all, SOCAN, its Board and staff, had a very active and transformative 2014 and through our efforts and many changes, we continue to shine as a leading performing rights organization in the world.
2014 Key Highlights

Record Revenue: $299.5 Million!

Corporate Net Expense Ratio: 9.5%

Lowest Ever!

$241 Million Distributed to Music Creators & Publishers

$55.5 Million International Revenue

1,312,439 Registered Works Submitted to SOCAN
SOCAN is one of the most transparent performing rights organizations in the world. As always, we strive to provide access to the information that our stakeholders want and need to know, clearly, concisely and collaboratively.

Whether it’s a member’s ability to see which radio stations played their song and how much each of those plays earned, a licensed music user’s ability to find out how much their licence fee will be for playing background music in their business, or anybody’s ability to read our annual financial statement online, SOCAN makes it very easy to see what we’re doing and how we do it.

And the more information we share, the more our members and licensees will know; and with better relationships and mutual engagement, the quality of our work together becomes even better.

Exactly how are we transparent?

**MEMBERS**

- SOCAN members are able to drill down in their online royalty statements to view their earnings right down to the TV or radio station level, so they can find out exactly where their music was played.

- We provide an online royalty calculator that allows members to determine what their potential performance royalties might be, based on the use of the music.

- SOCAN provides an online unidentified performances list, so that members who haven’t filed a set list for a given show can find it and provide the details that will get them their royalties. Similarly, we regularly appeal to members who’ve played a concert without a set list.

- SOCAN provides a preview of royalties for the next payment date, including a “view with availability” feature.

- Members and licensees can ask a query online, which we not only answer, but also provide a “query status” that can be viewed online so questioners know at what point their question is in the answering process.

- We provide our members with an explanation, in plain language, of the distribution rules that govern royalty payments. The rules explain exactly where the revenue is coming from, and how the performances are calculated. Neither ASCAP nor BMI provide this level of detail.

- We live-stream our annual general meeting, so that SOCAN members can attend online, and even ask questions via e-mail from anywhere with secure Internet service.
SOCAN is the only PRO in the world to offer all of these services to its more than 125,000 member songwriters, composers, lyricists, film & TV scorers and music publishers.

**LICENSED BUSINESSES**

SOCAN is also the only PRO to provide its licensees with an online license fee calculator tool that allows them to determine what their potential licence fees might be, based on how they’re using the music.

Other services that we provide to our licensees in the name of transparency include:

- An online summary that explains most tariffs/music uses to licensees in plain language, and provides examples of how to calculate their licence fee. (Apple Corp. has told us we are by far the best at this.) This includes media and new media (i.e., digital, online) music uses.

- Report forms, that licensees can complete, which will calculate their licence fee based on the tariff/music use criteria. Once again, this includes media and new media (i.e., digital, online) music uses.

- SOCAN Licensees that login to the secure Licensing section of socan.ca (eSOCAN), can access their historical statements, their reports that have been submitted online, and their records of online payment.

- Information on other music rights organizations, and the differences between the various types of musical rights.

**PUBLIC**

- We publish an audited financial statement every year at socan.ca.

- We provide detailed biographies online of our executives and our Board of Directors on socan.ca, and also list all of our Board committees.

- SOCAN prides itself on a policy of access and open communication with news media, with whom we’re ready and willing to discuss even the most sensitive topics.

- Our blog (socanblog.ca) and social media (SOCANmusic) are open forums for comment.

We hope it’s as clear to you as it is to us: there’s no more transparent performing rights organization in the world than SOCAN.
TRANSPARENCY HIGHLIGHTS

MEMBERS
- Online royalty statements
- Online royalty calculator
- Online unidentified performance list
- Preview of royalties
- Online query capabilities

LICENSEEES
- Summary of tariffs and music uses
- Online licence fee calculator
- Access to historical statements

PUBLIC
- Access to audited financial statements
- Clearly identified executive team and board members
- Clear communications via website, blogs, social media and media
For the second consecutive year, SOCAN has set a record for total revenue, with a total of $299.5-million brought in for 2014. Gross Expenses decreased by $1.0-million and we experienced a significant return on investments, ensuring that SOCAN achieved a Corporate Net Expense Ratio of 9.5 percent, the first time this ratio has fallen below 10 percent. This achievement demonstrates SOCAN’s strength at licensing performing rights, as well as our continued focus on efficient expense management to ensure that more royalties are provided to tens of thousands of Canadian songwriters, composers and music publishers as well as the rightsholders we represent in Canada via agreements with 105 societies in 213 countries and territories.

Financial highlights in 2014:

- **Total revenue of $299.5-million** collected from domestic, international and private copying proceeds – a year-over-year increase of 8.4 percent from the $276.4-million brought in during 2013, itself a record-setting year for SOCAN.

- **International revenue from Canadian-created music of $55.5-million**, an increase of $4.3-million, or 8.3 percent, from 2013. This record for International revenue comes on the heels of surpassing $50-million in 2013 for the first time.

- **Revenue of $21.3-million from Internet streaming** properties, up from $3.4-million in 2013.

- **SOCAN’s Corporate Net Expense Ratio was 9.5 percent**, below 10 percent for the first time in the history of the organization, positioning it as one of the most cost-effective major music rights organizations in the world.
Domestic Revenues from performing rights and private copying totaled $244.0-million in 2014 (2013: $225.2-million). Year-over-year variances are shown in Chart No.1

**PERFORMING RIGHTS REVENUE**

Performing rights collections from licensing the use of the world’s repertoire in Canada increased by $18.8-million to $241.6-million (2013: $223.6-million).

In 2014 the Copyright Board of Canada approved new tariffs for online audio-visual services and user-generated content, which generated an additional $15.2-million. Revenue from traditional sources (TV, Cable & Radio) saw a relative decline and now represent 68 percent of the total performing rights revenue, down from 75 percent in 2013. TV saw a significant decline of 5.4 percent, Radio declined 1.3 percent while Cable was up 2.8 percent due to additional services being provided in Canada. Satellite Radio has continued to show near-double-digit growth, with 2014 revenue at $12.9-million (2013: $11.9-million).

General & Concert revenue increased 1.6 percent to $37.7-million (2013: $36.1-million) as 2014 was another popular year for major acts touring Canada and our reenergized general licensing organization started to bring added value.
CHART 1 - SOCAN DOMESTIC REVENUES
TOTAL - 2014: $244,016 (2013: $225,207) IN THOUSANDS OF DOLLARS
PRIVATE-COPYING ROYALTIES
SOCAN is a member of the Canadian Private Copying Collective (CPCC). The CPCC collects private copying revenues generated by a levy on the sale of blank CDs, audiotapes and similar media only. As a result of market trends, the private copying collections have dramatically declined over the years.

The resulting funds are distributed based on radio airplay and sound recording sales. SOCAN claims royalties on behalf of those members who have assigned SOCAN the right to collect their private copying royalties. In 2014, SOCAN received $2.4-million (2013: $1.6-million) from the CPCC, with the increase due to higher revenue collected by CPCC, bucking the recent year’s trend.

SOCAN continues to deduct only direct costs incurred in the distribution of private copying royalties. In 2014, overheads charged on distributions averaged 8 percent (2013: 8 percent).

INTERNATIONAL ROYALTIES
The year 2014 was another record one for royalties from international affiliated Music Rights Organizations (MROs), increasing by $4.3-million to $55.5-million (2013: $51.2-million). The increase arose from a combination of strong member activity abroad and an increasingly proactive approach in the management of our international relations.

CHART No. 2 shows a breakdown of the international revenue SOCAN received from the Top 10 MROs for the past two years, and a summary total for those outside the Top 10. The top two earning MROs in 2014 for SOCAN members were ASCAP and BMI in the United States, where approximately $19.7-million in total was collected (2013: $18.8-million), representing 35.5 percent of total international royalties.

The next top-earning MRO was SACEM from France, where SOCAN collected royalty income of $6.7-million (2013: $7.2-million), representing 12.2 percent of total international royalties. There was a significant increase in UBC from Brazil, in 2014 $3.7-million was collected an increase of $3.0-million from the previous year (2013: $0.7 million) due to a special distribution following a Cable TV settlement. The top 10 MROs accounted for 83.0 percent of SOCAN’s international royalties, which is approximately the same as 2013 (81.5 percent).
CHART 2 - INTERNATIONAL REVENUE BY COUNTRY
TOTAL - 2014: $55,479 (2013: $51,205) IN THOUSANDS OF DOLLARS

<table>
<thead>
<tr>
<th>Country</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top Ten Societies</td>
<td>46,105</td>
<td>41,148</td>
</tr>
<tr>
<td>Non Top Ten</td>
<td>9,374</td>
<td>10,057</td>
</tr>
<tr>
<td>Total</td>
<td>55,479</td>
<td>51,205</td>
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TABLE No. 1 details the international revenue received from each MRO and the distributions paid by SOCAN to each MRO in 2014.

### TABLE 1 - ROYALTIES FROM AND TO INTERNATIONAL MROs
**IN THOUSANDS OF DOLLARS**

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>MRO</th>
<th>REVENUE FROM MRO 2014</th>
<th>2013</th>
<th>DISTRIBUTIONS TO MRO 2014</th>
<th>2013</th>
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</thead>
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<td>SADAIC</td>
<td>494</td>
<td>156</td>
<td>28</td>
<td>21</td>
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<td>Australia</td>
<td>APRA</td>
<td>1,800</td>
<td>1,517</td>
<td>1,374</td>
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<td>AKM</td>
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<td>489</td>
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<td>Belgium</td>
<td>SABAM</td>
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<td>1,245</td>
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<td>Brazil</td>
<td>Various</td>
<td>3,744</td>
<td>673</td>
<td>96</td>
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<td>10</td>
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<td>ACUM</td>
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<td>SACM</td>
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<td>1,402</td>
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<td>TONO</td>
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<td>United States (See below)</td>
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<td>18,894</td>
<td>61,463</td>
<td>62,592</td>
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<td>VCPMC</td>
<td>31</td>
<td>25</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Countries under $10k *</td>
<td>33</td>
<td>44</td>
<td>-</td>
<td>45</td>
<td>28</td>
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<tr>
<td>TOTAL</td>
<td>51,183</td>
<td>47,305</td>
<td>82,144</td>
<td>74,768</td>
<td></td>
</tr>
</tbody>
</table>

55,325 51,183 80,698 82,144

**Total United States**

United States | ASCAP | 12,275 | 11,223 | 30,937 | 31,640 |
United States | BMI | 7,436 | 7,584 | 28,002 | 28,291 |
United States | SESAC | 235 | 87 | 2,524 | 2,661 |

Total United States 19,946 18,894 61,463 62,592

*Countries under $10k include Barbados, Cameroon, China, Cuba, Ecuador, Iceland, India, Jamaica, Macedonia, Mali, Mauritius, Panama, Senegal, Serbia, St Lucia, Thailand, Trinidad & Tobago, Turkey, Uruguay, Venezuela.
EXPENSES

SOCAN’s net expenses (gross expenses offset by other income, which mainly consists of investment income) favourably decreased to $28.4-million in 2014 from $35.8-million the previous year. Gross expenses decreased by $1-million and other income increased by $6.4-million, which resulted in a net decrease of $7.4-million. These changes, in combination with increased revenue, mean that net expenses in 2014 represented only 9.5 percent of total revenues (2013: 12.9 per cent), a record low for SOCAN.

SOCAN’s three main operational activities of collecting license fees (Licensing), registering works and analyzing performances (Distribution), and supporting members (Membership) account in total for $20.1-million (2013: $20.3-million), or a little less than half of our gross expenses.

Infrastructure-type costs, such as Information Technology and Facilities & Administration, which are critical support for the three activities above, accounted for $14.1-million (2013: $13.2-million), or a little less than a third of our gross expenses, and other key support services such as Finance, Legal, Communications & Marketing and Human Resources, accounted for most of the remainder. The SOCAN Foundation and Canadian Songwriters Hall of Fame were supported with $1.8-million in 2014.

As shown in TABLE No. 2, SOCAN’s 2014 gross expenses were $44.6-million or 2.2 percent less than in 2013. Listed below are explanations for some of the variances by cost category.

TABLE 2 - GROSS EXPENSES BY EXPENSE TYPE 2014: $44,635 VS 2013 $45,729 IN THOUSANDS OF DOLLARS

<table>
<thead>
<tr>
<th>Gross Expenses</th>
<th>2014</th>
<th>2013</th>
<th>Variance 2014-2013</th>
<th>Incr/(Decr) from 2013 to 2014</th>
<th>2014 Expense Type as a percentage of Total Gross Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff</td>
<td>$29,332</td>
<td>$31,553</td>
<td>$2,221</td>
<td>7.0%</td>
<td>65.6%</td>
</tr>
<tr>
<td>Legal &amp; Professional</td>
<td>3,430</td>
<td>3,546</td>
<td>116</td>
<td>3.3%</td>
<td>7.7%</td>
</tr>
<tr>
<td>Depreciation</td>
<td>2,336</td>
<td>1,747</td>
<td>(589)</td>
<td>-33.7%</td>
<td>5.2%</td>
</tr>
<tr>
<td>Accommodation</td>
<td>1,996</td>
<td>1,986</td>
<td>(10)</td>
<td>-0.5%</td>
<td>4.5%</td>
</tr>
<tr>
<td>Information Technology</td>
<td>1,993</td>
<td>1,801</td>
<td>(192)</td>
<td>-10.7%</td>
<td>4.5%</td>
</tr>
<tr>
<td>SOCAN Foundation &amp; CSHF funding</td>
<td>1,830</td>
<td>1,571</td>
<td>(259)</td>
<td>-16.5%</td>
<td>4.1%</td>
</tr>
<tr>
<td>Membership &amp; Communication</td>
<td>1,506</td>
<td>1,109</td>
<td>(397)</td>
<td>-35.8%</td>
<td>3.4%</td>
</tr>
<tr>
<td>Office</td>
<td>1,234</td>
<td>1,194</td>
<td>(40)</td>
<td>-3.4%</td>
<td>2.8%</td>
</tr>
<tr>
<td>Other</td>
<td>978</td>
<td>1,122</td>
<td>144</td>
<td>12.8%</td>
<td>2.2%</td>
</tr>
<tr>
<td>TOTAL GROSS EXPENSES</td>
<td>44,635</td>
<td>45,629</td>
<td>994</td>
<td>2.2%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>
**STAFF**
SOCAN’s most significant expense lies in human resources. On average, there were 285 full- and part-time employees in four offices across the country in 2014. Staff costs decreased by $2.2-million, primarily due to a decrease in the annual pension expense and full year impact of the headcount reductions made in 2013.

**DEPRECIATION**
This includes all depreciation relating to SOCAN’s fixed assets. This cost increased by $0.6-million in 2014 due to the second phase of SOCAN’s enterprise resource planning (ERP) system going live, as well as renovations at the head office.

**INFORMATION TECHNOLOGY**
Information Technology costs increased by $0.2-million from 2013 due to increased software and hardware maintenance costs relating to the new ERP system and supporting tools.

**MEMBERSHIP & COMMUNICATION**
These costs include sponsorship, advertising, and awards, which were down $0.4-million from the previous year due mainly to the re-scheduling of the Toronto SOCAN Awards show to June as of 2014 and as a result, not holding the 2013 event.

**SOCAN DISTRIBUTIONS**
SOCAN’s total royalty distributions in 2014 amounted to $240.8-million, which was the same level as the previous year (2013: $240.8-million).

Member advances are reflected in these numbers. Further details can be found in TABLE No. 3.
<table>
<thead>
<tr>
<th>TABLE 3 - DISTRIBUTION BY POOL, BY MEMBER TYPE AND INTERNATIONAL AFFILIATION IN THOUSANDS OF DOLLARS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2014</strong></td>
</tr>
<tr>
<td>SOCAN WRITERS</td>
</tr>
<tr>
<td>----------------</td>
</tr>
<tr>
<td>CABLE</td>
</tr>
<tr>
<td>TELEVISION</td>
</tr>
<tr>
<td>RADIO - CENSUS</td>
</tr>
<tr>
<td>RADIO - SURVEY</td>
</tr>
<tr>
<td>RADIO - CBC</td>
</tr>
<tr>
<td><strong>TOTAL RADIO AND GENERAL</strong></td>
</tr>
<tr>
<td>CONCERTS</td>
</tr>
<tr>
<td>CINEMA + HOTEL,</td>
</tr>
<tr>
<td>MOTEL SERVICES</td>
</tr>
<tr>
<td>PAY AUDIO</td>
</tr>
<tr>
<td>INTERNET</td>
</tr>
<tr>
<td>SATELLITE RADIO</td>
</tr>
<tr>
<td><strong>INTERNATIONAL AFFILIATED SOCIETIES</strong></td>
</tr>
<tr>
<td><strong>TOTAL DISTRIBUTIONS IN ADVANCE OF NORMAL PAYMENT DATE</strong></td>
</tr>
<tr>
<td><strong>PRIVATE COPYING</strong></td>
</tr>
<tr>
<td><strong>TOTAL DISTRIBUTIONS</strong></td>
</tr>
</tbody>
</table>

David Wood
Chief Financial Officer
FINANCIAL STATEMENTS OF

SOCIETY OF COMPOSERS, AUTHORS AND MUSIC PUBLISHERS OF CANADA

YEARS ENDED DECEMBER 31, 2014
INDEPENDENT AUDITORS' REPORT

To the Members of Society of Composers, Authors and Music Publishers of Canada

We have audited the accompanying consolidated financial statements of Society of Composers, Authors and Music Publishers of Canada, which comprise the consolidated statement of financial position as at December 31, 2014, the consolidated statements of operations, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management’s Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors’ Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity’s preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Society of Composers, Authors and Music Publishers of Canada as at December 31, 2014, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Chartered Professional Accountants, Licensed Public Accountants

March 23, 2015
Toronto, Canada
SOCIETY OF COMPOSERS, AUTHORS AND MUSIC PUBLISHERS OF CANADA

Consolidated Statement of Financial Position
(In thousands of dollars)

December 31, 2014, with comparative information for 2013

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$45,025</td>
<td>$37,142</td>
</tr>
<tr>
<td>Accrued license fees</td>
<td>$9,537</td>
<td>$9,081</td>
</tr>
<tr>
<td>Other receivables and assets</td>
<td>$2,524</td>
<td>$3,741</td>
</tr>
<tr>
<td>Investments (note 2)</td>
<td>$152,734</td>
<td>$136,921</td>
</tr>
<tr>
<td>Capital assets (note 3)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>209,820</td>
<td>186,885</td>
<td></td>
</tr>
<tr>
<td>Capital assets (note 3)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21,510</td>
<td>16,663</td>
<td></td>
</tr>
<tr>
<td>Accrued employee future benefit asset (note 4)</td>
<td>$14,362</td>
<td>$11,003</td>
</tr>
<tr>
<td>Liabilities and Net Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and other liabilities (note 5)</td>
<td>$9,508</td>
<td>$11,048</td>
</tr>
<tr>
<td>License fees received in advance</td>
<td>$3,172</td>
<td>$4,960</td>
</tr>
<tr>
<td>12,680</td>
<td>16,008</td>
<td></td>
</tr>
<tr>
<td>Accrued employee future benefit liability (note 4)</td>
<td>$18,867</td>
<td>$15,939</td>
</tr>
<tr>
<td>Royalties owing to music copyright owners (members and affiliated societies):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>From distributions allocated</td>
<td>$5,545</td>
<td>$4,209</td>
</tr>
<tr>
<td>From distribution fund (note 6)</td>
<td>$190,318</td>
<td>$169,502</td>
</tr>
<tr>
<td>195,863</td>
<td>173,711</td>
<td></td>
</tr>
<tr>
<td>Net assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internally restricted (note 7)</td>
<td>$21,817</td>
<td>$12,335</td>
</tr>
<tr>
<td>Remeasurements and other items (note 4)</td>
<td>$(3,535)</td>
<td>$(3,442)</td>
</tr>
<tr>
<td>18,282</td>
<td>8,893</td>
<td></td>
</tr>
<tr>
<td>Commitments and contingencies (note 10)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$245,692</td>
<td>$214,551</td>
<td></td>
</tr>
</tbody>
</table>

See accompanying notes to consolidated financial statements.

On behalf of the Board:

On behalf

Director

Director
## SOCIETY OF COMPOSERS, AUTHORS AND MUSIC PUBLISHERS OF CANADA

Consolidated Statement of Operations (In thousands of dollars)

Year ended December 31, 2014, with comparative information for 2013

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Performing rights</td>
<td>Private copying</td>
</tr>
<tr>
<td>Fees from Canadian licensees</td>
<td>$ 241,646</td>
<td>$ –</td>
</tr>
<tr>
<td>Royalties received from international affiliated societies</td>
<td>55,479</td>
<td>–</td>
</tr>
<tr>
<td>Private copying royalties</td>
<td>–</td>
<td>2,370</td>
</tr>
<tr>
<td></td>
<td>297,125</td>
<td>2,370</td>
</tr>
<tr>
<td>Expenses and other income: Administrative expenses</td>
<td>(44,580)</td>
<td>(55)</td>
</tr>
<tr>
<td>Investment and other income (note 9)</td>
<td>16,287</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>(28,293)</td>
<td>(55)</td>
</tr>
<tr>
<td>Total distributable income</td>
<td>268,832</td>
<td>2,315</td>
</tr>
<tr>
<td>Allocated to royalties owing to music copyright owners (note 6)</td>
<td>259,350</td>
<td>2,315</td>
</tr>
<tr>
<td>Unallocated income</td>
<td>$ 9,482</td>
<td>$ –</td>
</tr>
</tbody>
</table>

See accompanying notes to consolidated financial statements.
## Consolidated Statement of Changes in Net Assets

(In thousands of dollars)

Year ended December 31, 2014, with comparative information for 2013

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Internally restricted</td>
<td>Remeasurements and other items</td>
</tr>
<tr>
<td>Net assets, beginning of year</td>
<td>$12,335</td>
<td>$ (3,442)</td>
</tr>
<tr>
<td>Unallocated income</td>
<td>9,482</td>
<td>–</td>
</tr>
<tr>
<td>Remeasurements and other items (note 4)</td>
<td>–</td>
<td>(93)</td>
</tr>
<tr>
<td>Net assets, end of year</td>
<td>$21,817</td>
<td>$ (3,535)</td>
</tr>
</tbody>
</table>

See accompanying notes to consolidated financial statements.
**SOCIETY OF COMPOSERS, AUTHORS AND MUSIC PUBLISHERS OF CANADA**

Consolidated Statement of Cash Flows  
(In thousands of dollars)  

Year ended December 31, 2014, with comparative information for 2013

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash provided by (used in):</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operating activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unallocated income</td>
<td>$9,482</td>
<td>$5,440</td>
</tr>
<tr>
<td>Increase (decrease) in royalties owing to music copyright owners</td>
<td>22,152</td>
<td>(8,087)</td>
</tr>
<tr>
<td>Employer future benefit contributions</td>
<td>(2,246)</td>
<td>(10,676)</td>
</tr>
<tr>
<td>Items not involving cash:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization of capital assets</td>
<td>2,335</td>
<td>1,676</td>
</tr>
<tr>
<td>Net realized gain on sale of investments</td>
<td>(1,856)</td>
<td>(1,350)</td>
</tr>
<tr>
<td>Net unrealized gain on investments</td>
<td>(9,700)</td>
<td>(4,299)</td>
</tr>
<tr>
<td>Employee future benefits expense</td>
<td>1,722</td>
<td>2,615</td>
</tr>
<tr>
<td>Change in non-cash operating working capital</td>
<td>(2,567)</td>
<td>23</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td>19,322</td>
<td>(14,658)</td>
</tr>
<tr>
<td><strong>Investing activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of capital assets</td>
<td>(7,182)</td>
<td>(6,535)</td>
</tr>
<tr>
<td>Increase in investments, net</td>
<td>(4,257)</td>
<td>(3,498)</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td>(11,439)</td>
<td>(10,033)</td>
</tr>
<tr>
<td><strong>Increase (decrease) in cash:</strong></td>
<td>7,883</td>
<td>(24,691)</td>
</tr>
<tr>
<td><strong>Cash, beginning of year:</strong></td>
<td>37,142</td>
<td>61,833</td>
</tr>
<tr>
<td><strong>Cash, end of year:</strong></td>
<td>$45,025</td>
<td>$37,142</td>
</tr>
</tbody>
</table>

See accompanying notes to consolidated financial statements.
SOCIETY OF COMPOSERS, AUTHORS AND MUSIC PUBLISHERS OF CANADA

Notes to Consolidated Financial Statements
(In thousands of dollars)

Year ended December 31, 2014

Society of Composers, Authors and Music Publishers of Canada ("SOCAN") is a not-for-profit organization, incorporated without share capital. SOCAN was previously incorporated under the Canada Corporations Act and was continued under the Canada Not-for-profit Corporations Act on July 2, 2014. SOCAN, which administers, for copyright-protected musical works, the right to perform in public and to communicate to the public by telecommunication in Canada. SOCAN collects license fees on behalf of music copyright owners pursuant to tariffs proposed by SOCAN, and approved by a quasi-judicial federal tribunal, the Copyright Board. Licensees can and do object to proposed tariffs, and public hearings can be, and are, held at which SOCAN acts to support the rights of its members and international affiliates. SOCAN also has reciprocal contracts of affiliation with similar societies throughout the world, which provide for the exchange of copyright royalties. Total revenue, net of operating expenses and internally restricted amounts (note 6), is distributed to members and to affiliated societies on account of their members pursuant to distribution rules approved by the Board of Directors. Amounts generally become distributable upon receipt of the related fees and royalties.

SOCAN is a not-for-profit organization under the Income Tax Act (Canada) and, accordingly, is exempt from income taxes, provided certain requirements of the Income Tax Act (Canada) are met.

SOCAN Foundation - Fondation SOCAN (the "Foundation") is a not-for-profit organization under the Income Tax Act (Canada) and was continued under the Canada Not-for-profit Corporations Act on September 17, 2014. The Foundation is set up to promote and further the publication, recording, distribution and performance of music generally in Canada. SOCAN has the ability to control the Foundation by virtue of common membership in the Boards of Directors of the two organizations. The Foundation is not consolidated in these financial statements. Refer to note 8.

1. Significant accounting policies:

These consolidated financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations.

(a) Basis of consolidation:

These consolidated financial statements incorporate the results of SOCAN and of its wholly owned subsidiaries, MINT Services Corporation ("MINT") (profit-oriented) and Canadian Music Rights Joint Venture Inc. (not-for-profit). All intercompany balances and transactions have been eliminated on consolidation.
1. Significant accounting policies (continued):

(b) Recognition of fees and royalties:

Fees from Canadian licensees and royalties from international affiliated societies are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Private copying royalties are recognized when received.

(c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. SOCAN has elected to carry all its investments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, SOCAN determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount SOCAN expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.
1. Significant accounting policies (continued):

(d) Cash:

Cash includes $12,126 (2013 - $15,413) of cash on hand that is used for day to day operations and $32,899 (2013 - $21,729) that is in a high interest bearing cash account that is used specifically for distribution purposes.

(e) Investment income:

Investment income, which is recorded on an accrual basis, includes interest income, dividends, net realized gain (loss) on sale of investments and net unrealized gain (loss) on investments.

(f) Capital assets:

Capital assets, other than land and artwork, are carried at cost less accumulated amortization. Land and artwork are carried at cost. Capital assets are amortized on a straight-line basis over their estimated useful lives. Annual amortization rates used are as follows:

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Amortization Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building and building improvements</td>
<td>3.7%</td>
</tr>
<tr>
<td>Furniture, fixtures and equipment</td>
<td>20.0% - 33.3%</td>
</tr>
<tr>
<td>Computer software</td>
<td>10.0% - 20.0%</td>
</tr>
</tbody>
</table>

(g) Impairment of long-lived assets:

Long-lived assets, including capital assets and intangible assets subject to amortization, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.
1. Significant accounting policies (continued):

(h) Employee future benefits:

SOCAN offers a pension plan with a defined benefit provision and a defined contribution provision, which between them cover substantially all employees of SOCAN. Employees joining SOCAN after January 1, 2009 are not eligible to join the defined benefit provision plan.

The cost of pensions earned by employees is actuarially determined using the projected benefit method prorated on service and management's best estimate of expected plan investment performance, salary escalation and retirement ages. SOCAN accrues its obligations under the defined benefit plan as the employees render the services necessary to earn the pension and other retirement benefits. The actuarial determination of the accrued benefit obligation for the defined benefit plan is based on the January 1, 2014 funding valuation, extrapolated to December 31, 2014. The measurement date of the plan assets and accrued benefit obligation coincides with SOCAN's fiscal year. The next required valuation will be as at January 1, 2017.

Actuarial gains (losses) on plan assets arising from the difference between the actual return on plan assets for a period and the expected return on plan assets for that period are immediately recognized in the consolidated statement of changes in net assets. Actuarial gains (losses) on the accrued benefit obligation arising from differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation are immediately recognized in the consolidated statement of changes in net assets.

Past service costs arising from plan amendments are immediately recognized in the consolidated statement of changes in net assets.

The cost of the defined contribution provision is based on a percentage of the employee's pensionable earnings.
1. Significant accounting policies (continued):

SOCAN sponsors a supplementary non-registered plan ("SERP") for its executives providing benefits above the maximums prescribed under the Income Tax Act (Canada). The cost of the SERP is actuarially determined using an accounting valuation which incorporates management's best estimate of future salary levels, other cost escalation, retirement ages of employees and other actuarial factors. The SERP is not funded.

SOCAN sponsors a retirement medical benefit plan, which provides certain benefits to retired employees and their dependants. The benefits include medical services and dental. The cost of these benefits is actuarially determined using an accounting valuation, prorated on service and management's best estimate of retirement ages of employees, expected health care costs and discount rate. The retirement medical benefit plan is not funded.

(i) Translation of foreign currencies:

SOCAN has investments denominated in foreign currencies which have been translated into Canadian dollars at exchange rates prevailing at the year-end date. Gains and losses have been translated using exchange rates prevailing on transaction date.

(j) Use of estimates:

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of income and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amount of capital assets and asset and obligation related to employee future benefits. Actual results could differ from those estimates.
2. **Investments:**

The fair values of investments are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term investments</td>
<td>$1,266</td>
<td>$679</td>
</tr>
<tr>
<td>Pooled funds:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed income</td>
<td>91,848</td>
<td>82,531</td>
</tr>
<tr>
<td>Foreign equities</td>
<td>40,500</td>
<td>34,892</td>
</tr>
<tr>
<td>Foreign floating rate bank loan</td>
<td>7,077</td>
<td>5,337</td>
</tr>
<tr>
<td>Global infrastructure securities</td>
<td>6,882</td>
<td>5,486</td>
</tr>
<tr>
<td>Segregated fund:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic equities</td>
<td>5,161</td>
<td>7,996</td>
</tr>
</tbody>
</table>

$152,734 $136,921

Short-term investments consist of short-term bonds and guaranteed investment certificates bearing interest at 1.0% - 1.6% and maturing on January 7, 2015 to February 13, 2015 (2013 - 0.05% and maturing on January 16, 2014).

3. **Capital assets:**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cost</td>
<td>Accumulated amortization</td>
</tr>
<tr>
<td>Land</td>
<td>$3,073</td>
<td>$ –</td>
</tr>
<tr>
<td>Building and building improvements</td>
<td>13,703</td>
<td>7,994</td>
</tr>
<tr>
<td>Furniture, fixtures and equipment</td>
<td>9,648</td>
<td>6,634</td>
</tr>
<tr>
<td>Computer software</td>
<td>7,997</td>
<td>2,712</td>
</tr>
<tr>
<td>Computer software under development</td>
<td>4,334</td>
<td>–</td>
</tr>
<tr>
<td>Artwork</td>
<td>95</td>
<td>–</td>
</tr>
</tbody>
</table>

$38,850 $17,340 $21,510 $16,663

Amortization charges included in administrative expenses amounted to $2,335 (2013 - $1,676). Disposals include $109 (2013 - $53) of fully amortized assets.
4. Employee future benefits:

(a) Information about SOCAN’s employee benefit plans (excluding the defined contribution portion of the pension plan), in aggregate, is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pension plan</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrued benefit obligations</td>
<td>$54,479</td>
<td>$49,791</td>
</tr>
<tr>
<td>Fair value of plan assets</td>
<td>68,841</td>
<td>60,794</td>
</tr>
<tr>
<td><strong>Funded surplus</strong></td>
<td>$14,362</td>
<td>$11,003</td>
</tr>
<tr>
<td><strong>SERP</strong></td>
<td>2014</td>
<td>2013</td>
</tr>
<tr>
<td>Accrued benefit obligations</td>
<td>$14,517</td>
<td>$11,386</td>
</tr>
<tr>
<td>Fair value of plan assets</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Plan deficit</strong></td>
<td>$(14,517)</td>
<td>$(11,386)</td>
</tr>
<tr>
<td><strong>Retirement medical benefit plan</strong></td>
<td>2014</td>
<td>2013</td>
</tr>
<tr>
<td>Accrued benefit obligations</td>
<td>$4,350</td>
<td>$4,553</td>
</tr>
<tr>
<td>Fair value of plan assets</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Plan deficit</strong></td>
<td>$(4,350)</td>
<td>$(4,553)</td>
</tr>
</tbody>
</table>

Continuity of the accrued benefit liability (asset) is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pension plan</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>SERP</strong></td>
<td>2014</td>
<td>2013</td>
</tr>
<tr>
<td><strong>Retirement medical benefit plan</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
4. **Employee future benefits (continued):**

   (b) The contributions paid and expensed by SOCAN under the defined contribution portion of the pension plan for the year amounted to $215 (2013 - $156).

5. **Accounts payable and other liabilities:**

   Included in accounts payable and other liabilities are government remittances payable of $1,901 (2013 - $1,385), which includes amounts payable for harmonized sales tax and payroll-related taxes.

6. **Royalties owing to music copyright owners:**

   The availability of funds for distribution is dependent upon the realization of assets at not less than their carrying values in the financial statements.

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Performing</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Private</td>
<td></td>
</tr>
<tr>
<td></td>
<td>rights</td>
<td>copying</td>
</tr>
<tr>
<td>Balance, beginning of year</td>
<td>$ 169,350</td>
<td>$ 152</td>
</tr>
<tr>
<td>Distributable income</td>
<td>259,350</td>
<td>2,315</td>
</tr>
<tr>
<td>Distributions</td>
<td>(238,869)</td>
<td>(1,980)</td>
</tr>
<tr>
<td>Balance, end of year</td>
<td>$ 189,831</td>
<td>$ 487</td>
</tr>
</tbody>
</table>

7. **Internally restricted net assets:**

   SOCAN distributes all of its income to music copyright owners through an allocation (note 6), except for certain items which the Board of Directors has approved to remain unallocated. These items include investment income, net unrealized gain on investments, net realized gain on sale of investments and certain other items related to pension accounting. The unallocated items described above comprise SOCAN's consolidated internally restricted net asset balance.
7. Internally restricted net assets (continued):

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance, beginning of year</td>
<td>$12,335</td>
<td>$6,895</td>
</tr>
<tr>
<td>Net realized gain on sale of investments</td>
<td>1,856</td>
<td>1,350</td>
</tr>
<tr>
<td>Net unrealized gain on investments</td>
<td>9,700</td>
<td>4,299</td>
</tr>
<tr>
<td>Amortization of internally generated computer software</td>
<td>(470)</td>
<td>(176)</td>
</tr>
<tr>
<td>Net loss, MINT</td>
<td>(168)</td>
<td>(33)</td>
</tr>
<tr>
<td>Pension benefit expense (a)</td>
<td>(1,436)</td>
<td></td>
</tr>
<tr>
<td><strong>Balance, end of year</strong></td>
<td>$21,817</td>
<td>$12,335</td>
</tr>
</tbody>
</table>

(a) In 2013, SOCAN retrospectively adopted Section 3462, Employee Future Benefits (“Section 3462”) by Accounting Standards for Private Enterprises of the Chartered Professional Accountants of Canada (“CPA Canada”) Handbook and Section 3463, Reporting Employee Future Benefits (“Section 3463”) by Not-For-Profit Organizations of the CPA Canada Handbook. Upon transitioning to Sections 3462 and 3463, an adjustment to the consolidated statement of operations for the year ended December 31, 2012 was made to decrease administrative expenses by $1,436 and increase unallocated income by the same amount.

In 2014, SOCAN determined that this amount should be allocated to music copyright owners and has been credited to royalties owing to music copyright owners’ liability.

8. SOCAN Foundation:

Included in administrative expenses is $1,630 (2013 - $1,571) in funding provided to the Foundation. Included in other receivables and assets is $8 (2013 - $273) owing from the Foundation.
8. **SOCAN Foundation (continued):**

A summary of the financial information for the Foundation for the years ended December 31, 2014 and 2013 is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total assets</td>
<td>$5,654</td>
<td>$5,557</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>602</td>
<td>785</td>
</tr>
<tr>
<td>Net assets</td>
<td>$5,052</td>
<td>$4,772</td>
</tr>
<tr>
<td>Revenue</td>
<td>$2,150</td>
<td>$2,264</td>
</tr>
<tr>
<td>Expenses</td>
<td>(1,870)</td>
<td>(2,319)</td>
</tr>
<tr>
<td>Excess of revenue over expenses</td>
<td>$280</td>
<td>($55)</td>
</tr>
</tbody>
</table>

9. **Investment and other income:**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest income</td>
<td>$3,500</td>
<td>$3,410</td>
</tr>
<tr>
<td>Dividend income</td>
<td>910</td>
<td>600</td>
</tr>
<tr>
<td>Miscellaneous income</td>
<td>620</td>
<td>493</td>
</tr>
<tr>
<td>Net realized gain on sale of investments</td>
<td>1,856</td>
<td>1,350</td>
</tr>
<tr>
<td>Net unrealized gain on investments</td>
<td>9,700</td>
<td>4,299</td>
</tr>
<tr>
<td>Brokerage and investment consulting fees</td>
<td>(299)</td>
<td>(315)</td>
</tr>
<tr>
<td></td>
<td>$16,287</td>
<td>$9,837</td>
</tr>
</tbody>
</table>
10. Commitments and contingencies:

(a) SOCAN has various operating lease commitments for branch office premises, vehicles and office equipment. The future minimum lease payments, inclusive of maintenance costs and realty taxes, for years subsequent to December 31, 2014, are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Lease Payments ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>351</td>
</tr>
<tr>
<td>2016</td>
<td>308</td>
</tr>
<tr>
<td>2017</td>
<td>365</td>
</tr>
<tr>
<td>2018</td>
<td>313</td>
</tr>
<tr>
<td>2019</td>
<td>252</td>
</tr>
<tr>
<td></td>
<td><strong>$ 1,589</strong></td>
</tr>
</tbody>
</table>

(b) SOCAN is party to legal actions arising in the normal course of operations. While it is not feasible to predict the outcome of these actions, it is the opinion of management that the resolution of these matters will not have a material adverse effect on operations.

(c) SOCAN has a Retirement Compensation Arrangement Trust Agreement with CIBC Mellon Trust Company to secure all or a portion of the payments required under the pension plan by letters of credit totalling $3,300.

11. Financial risk and concentration risk:

Financial risk relates to the understanding and active management of risks associated with all areas of the business and the associated operating environment. Investments are primarily exposed to interest rate, market price and foreign currency risks. SOCAN has formal policies and procedures that establish target asset mix. SOCAN’s policies also require diversification of investments within categories, and set limits on exposure to individual investments. There has been no change in risk exposure from the prior year.

(a) Interest rate risk:

SOCAN is exposed to interest rate risk on its fixed interest rate financial instruments.
11. Financial risk and concentration risk (continued):

(b) Market price risk:

Market price risk arises as a result of trading in equity securities and fixed income securities. Fluctuations in the market expose SOCAN to a risk of loss. SOCAN mitigates this risk through controls to monitor and limit concentration levels.

(c) Foreign currency risk:

SOCAN is exposed to financial risks as a result of exchange rate fluctuations and the volatility of these rates. Foreign currency risk arises from gains and losses due to fluctuations in foreign currency exchange rates on SOCAN's foreign equity securities. SOCAN does not currently enter into forward contracts to mitigate this risk.

12. Comparative information:

Certain comparative information has been reclassified to conform with the consolidated financial statement presentation adopted in the current year.
When preparing this report, we looked back at the 2014 issues of SOCAN's terrific online and print magazine *Words + Music/Paroles & Musique*, and were struck by the breadth and diversity of the SOCAN community. There are stories about global domination like Drake, MAGIC!, and Stephan Moccio; massive domestic success such as Bobby Bazini, Jill Barber, Jeff Morrow, and Serge Fiori; triumphs in the Francophonie as seen in examples such as Les Hay Babies, and Dead Obies; entrepreneurial success stories like those of ole, CP Music Group, and 604 Records; and many who destined for future success, like Sierra Noble and Francesco Yates.

These stories remind us that our members represent every conceivable geographic, demographic and genre category that Canada has to offer. They create and publish pop, urban, EDM, country, folk, jazz, rock, classical, movie and TV themes, foreground and background music, and infomercials, in Canada’s two official languages, and countless others, including Spanish, Mandarin, Cantonese, and Creole. Most live in Canada, but many have settled in the various international music capitals. We have world-class music publishing entrepreneurs investing millions of dollars in the careers of songwriters, composers, and artists, and developing leading brands in the sync licensing space. We have writers who get to feel the life-changing impact of a worldwide hit, and we also have members experiencing the thrill of earning their first royalty dollar – from the internet.

SOCAN's Membership team is dedicated to serving our members in multiple ways, not the least of which is fielding questions about their SOCAN member accounts. In 2014 we handled more than 26,000 inbound phone calls and more than 17,000 incoming e-mails from members, while also welcoming nearly 5,500 new writer and publisher members to the SOCAN community.

The Canadian music creator economy is building faster than ever – and so is SOCAN.

And we serve our members in a fully transparent manner. SOCAN members who visit the secure section of our website at www.socan.ca or on the SOCAN app have the ability to drill down in their statements and view their earnings, right to the level of which radio or TV station aired their work. No other PRO provides this capability. We provide a royalty calculator tool for our members, another unique feature among all PROs worldwide. Our Distribution Rules, also available in the secure section of the website, explain exactly where the revenue is from and how the performances are calculated, a level of detail beyond that of any PRO in North America.
Beyond our core royalty collection and payment responsibilities, SOCAN helps grow the ecosystem that spawns this incredibly rich, diverse group of members. In 2014 we sponsored 16 well-known, established events such as the JUNO Songwriters Circle, Canadian Music Week, North By Northeast, Les FrancoFolies, Festival en chanson de Petite-Vallée, CCMA Songwriters Series, Festival international de la chanson de Granby and Festival Osheaga, as well as Song Camps hosted by Casablanca, MERGE (Nettwerk) and ole.

Through our sponsorship of CIMA's initiatives, we helped create extensive domestic and international showcase opportunities for our members (including 2014 Montreal SOCAN Award Breakout Artist Klô Pelgag), as well as support a strong publisher presence at MIDEM. Our accomplished Film & TV composers were celebrated at SOCAN-hosted receptions at the Canadian Screen Awards (Toronto), Canadian Music Café (TIFF) and at luncheons with Les Prix Gémeaux and Les Jutra nominees. We created new platforms for members to develop their craft (e.g., “Cooking Beats” at CMW and SXSW), and helped writer and publisher members develop new markets. Our re-vamped L.A. presence seamlessly integrates these initiatives with support of our ever-expanding Los Angeles based songwriter and audio-visual composer community.

Taking pride in celebrating the success of our members reached new heights in 2014, starting with the new-look Toronto SOCAN Awards in June. Echoing the night's theme of “Dream Big,” we introduced a new date, a new format, and a world-first music trophy “The SOCAN/Le SOCAN.” The result was our best-attended, most-talked-about Toronto SOCAN Awards show ever. Key recipients were Gordon Lightfoot, Carly Rae Jepsen, Drake, Stephan Moccio, and Bill Henderson.

In November at the Montréal SOCAN Awards, we took an already special night to new heights with new Global Inspiration, Urban Music and Country Music honours, and celebrated Luc Plamondon’s 30th classic song with a special tribute by Martine St-Clair. The opening number of the Gala featured, among others, No. 1 Song Award recipients Alex Nevsky and Karim Ouellet performing a medley of classics from the past 25 years. Also performing was Patrice Michaud, who won our Prix de la chanson SOCAN 2014, with his song “Mécaniques générales,” which has since been used in Québec ad campaigns by both Honda and Pepsi.

Because our members are working in an environment that is increasingly complex, competitive and global, SOCAN's Membership Department has responded by introducing a new strategic plan that will result in us providing even more value to their careers and businesses. We're increasing the specialist knowledge base of our staff, leading initiatives to improve the user experience of our online tools, creating new cutting-edge services, and through our new A&R Division, ramping up our music industry savvy in order be an even more effective partner in helping our members grow their careers and businesses, at home and abroad.
• 5,835 new SOCAN members in 2014
• 128,000+ SOCAN members (overall)
• 1,312,439 works registered by SOCAN in 2014
• 22,211 Notification of Live Music Performance forms filed online by SOCAN members in 2014
  • 18,536 for domestic concerts
  • 3,675 for international concerts
• 1,330 SOCAN Mobile App downloads in 2014
In 2014, SOCAN’s Licensing department collected $232.8-million in licenses – which is $9.2-million more than in 2013 – exceeding our target of $225-million. Increases, primarily in concerts and new media, offset a slight decline in television and radio revenue.

SOCAN was happy to see the launch of new online services in the Canadian market, and will be tracking their progress very closely. In addition, new media revenue benefitted from the newly-certified tariffs for online audio-visual services such as Netflix. The net outcome is that the revenue from the online audio-visual and audio-streaming sites more than made up for the slight decline in revenue from traditional TV and Radio.

In order to help us navigate the transition from traditional media to new media, we started working with an advertising analyst agency to help us forecast usage and revenue trends. We’ll continue to monitor this transition, which should assist us in forecasting, and in developing new SOCAN tariffs.

Licensing also continued to work closely with the Distribution and Membership departments to ensure that our members’ live performances were licensed. As members submitted their set lists, we were able to license more than $200,000 in new concerts, which then is directly distributed to the music creators and publishers.

We also continued to support and market our eSOCAN site as a way for licensees to report and pay online. In 2014, we increased online reporting by more than 300 per cent, and payments by more than 130 per cent. We hope to continue this trend upward and seek out feedback from our licensees on how to improve the online service.

The year 2014 also saw the introduction of the “Licensed To Play” program, as we provided more than 30,000 of our 125,000 licensed establishments with Licensed To Play stickers. The stickers primarily went out to our annual licensees, but the campaign will continue to expand. In addition, we’re pleased that in 2015, we’ll also provide Licensed To Play stickers to many establishments that are licensed through their background music supplier, Stingray. Business and marketing partnerships such as this are emblematic of the SOCAN Licensing team’s more positive approach to working with businesses that use music.

SOCAN’s Licensing department is probably the most transparent of any major performing rights organization worldwide. All Copyright Board of Canada-approved tariffs/music uses are available on our socan.ca website, and for many General Licensing and Concerts tariffs/music uses, SOCAN has the following information there as well: a summary that explains the tariff/music...
use (including media and new media) in plain language, with examples of how to calculate licence fees; a license fee calculator; and a report form that can be completed to calculate the licence fee based on the tariff/music use criteria. SOCAN Licensees that log in to the secure section of www.socan.ca (eSOCAN), can access their historical statements, their reports submitted online, and their online payment information.

Without music licensing there would be no royalties for our members. We recognize SOCAN’s importance to our member songwriters, composers and music publishers, and year after year we strive to continue to build on our successes by expanding our licensing efforts to reach new licensees and bring in more revenue, while providing the utmost clarity and transparency throughout that complicated process and hard work.

**KEY HIGHLIGHTS**

- Licensed online audiovisual and streaming sites, including Netflix, Spotify and Google Play
- Generated $1.9-million in new general licensing business with more than 3,700 new accounts
- Online tool for music users (eSOCAN) continued to see substantial growth in 2014:
  - Total of 2,655 newly licensed accounts (29% increase over 2013)
  - More than 11,700 licensing reports submitted online (300% increase over 2013)
  - Payments of $875,000 (152% increase over 2013)

**3,700 NEW BUSINESSES LICENSED TO PLAY SOCAN IN 2014**

**125,000+ LICENCED BUSINESSES OVERALL**

**INCREASE IN LICENSING REPORTS SUBMITTED ONLINE THROUGH SOCAN 300%**
SOCAN’s Distribution team issued $241-million in royalties in 2014, of which $50.3-million were foreign royalties (a new record for the organization).

These results were achieved by improving the accuracy and currency of the records of more than 20-million songs in SOCAN’s repertoire by the almost four-million songwriters, composers and music publishers from Canada and around the world that we represent in Canada.

By using sophisticated technology to track and analyze performance data from the more than 125,000 licensed businesses in Canada, SOCAN ensures that music creators and publishers receive fair, timely and accurate compensation for the public performance of their music.

In 2014, we provided royalties for almost six-million Audio Visual musical performances, more than 40-million radio and satellite radio musical performances, more than 26,000 live concerts, and more than 5.5-billion Internet musical performances in Canada.

In addition to allocating royalties to members and affiliate performing rights organizations, the Distribution department implemented a number of key strategies in 2014:

• Moving forward our MusicMark initiative with ASCAP and BMI to build tools, share best practices and implement improvements in the service we provide to the members of all three of our organizations. In 2014, for example, we launched a central registration portal for a Common Works Registration submitter, allowing multiple, or batch, registrations at one time.

• The establishment of a new Audio-Visual online distribution pool and new processes to pay our members arrears royalties for Netflix performances from 2010 through 2013.

• Worked closely with key media services such as the CBC and Gracenote to improve the quality of information provided, in turn improving our results in identifying the music publicly performed on those outlets.
• Increased efficiency and reduced costs by leveraging automation, streamlining and prioritizing work and processes. We remain focused on improving our ability to handle large volumes of data, and engaging our data providers to move away from manual data entry and work towards electronic standardization.

• Continued exploration of new tools, such as fingerprinting and monitoring technology, to better and more thoroughly identify members’ music and enhance royalty distributions.

**DISTRIBUTION HIGHLIGHTS**

• $241-million royalties paid in 2014

• $50.3-million foreign royalties paid to SOCAN members

• 20-million-plus songs in SOCAN’s repertoire

• 3.8-million songwriters, composers, publishers worldwide

• Distributed in 2014
  • 5.9-million Audio Visual performances
  • 40.7-million radio and satellite radio performances
  • 5.6-billion Internet performances
  • 26,378 live concerts

$241 Million
DISTRIBUTED TO MUSIC CREATORS & PUBLISHERS

$50.3 Million
IN FOREIGN ROYALTIES DISTRIBUTED
The year 2014 was the first that SOCAN’s international royalty collection efforts were centralized in a stand-alone department, now known as International Relations. The creation of the new International Relations department has allowed SOCAN to be even more proactive in chasing international royalties, with more efficient processes and sophisticated tracking tools. As a result, 2014 was a record year for SOCAN’s international revenue, which topped $55-million, a full eight percent above the already ambitious target established at the beginning of last year.

In addition, we implemented improvements – discovered by running a case study – to analyze our query processes, significantly reducing our average query response time. This played a major role in SOCAN resolving a record number of queries in 2014. We doubled our expected revenue from unidentified works and outstanding queries, from an expected $600,000 to $1.2-million.

And as with other departments at SOCAN, we work transparently. Not all performing rights organizations (PROs) provide distribution rules to their members, but we do, and they’re easily accessible in the members’ secure section at www.socan.ca. We provide an overall level of detail on our statements that’s greater and clearer, we believe, than any performing rights organizations. And we’re also proactively looking for missed payments on unidentified works, even internationally.

To that end, to demonstrate the importance of our relationships with foreign music rights organizations, and to improve them, we completed the first year of a three-year plan to visit in-person many of our key partners. In 2014, SOCAN’s International Relations department called on PRSfm (U.K.), SACEM (France), ASCAP and BMI (both in the U.S.), SGAE (Spain), GEMA (Germany), AKM (Austria), and JASRAC (Japan). We have a similarly ambitious plan of contact for 2015, because these visits generate important business intelligence and help to keep the interests of SOCAN members top-of-mind worldwide.

The International Relations team has stepped up to its new challenges in an impressive fashion. Roles were re-defined for every member of the department, and all adapted quickly and enthusiastically to their new circumstances and objectives.

More and more, SOCAN members take their creativity to the world. The International Relations department will build on 2014’s successes to ensure that we continue to aggressively pursue our members’ money worldwide.
KEY HIGHLIGHTS

• Creation of a new, even more proactive International Relations department

• More than $55-million collected in international royalties, highest number ever

• $1.2-million collected from queries and unidentified performances, double the goal

• Significantly shorter time, on average, to resolve queries

• Record number of queries resolved

$55.5 MILLION

COLLECTED IN INTERNATIONAL ROYALTIES FOR CANADIAN-CREATED MUSIC (UP 8%!)
The Canadian Songwriters Hall of Fame honours and celebrates Canadian songwriters and those who have dedicated their lives to the legacy of music, and works to educate the public about these achievements.

A national non-profit organization, the Hall of Fame was founded in 1998 by long-time record producer and music publisher Frank Davies, and was transferred to SOCAN in 2011. The Canadian Songwriters Hall of Fame mandate aligns with SOCAN’s objectives as a transparent songwriter and publisher member-based organization. SOCAN’s support and involvement ensures that the Hall of Fame will be able to continue to recognize this rich, unique musical heritage for many years to come.

The Canadian Songwriters Hall of Fame is guided by an independent industry-inclusive board of directors who comprise Anglophone and Francophone music creators and publishers, and other music industry representatives. The directors represent the founding Canadian Songwriters Hall of Fame organizations, the Canadian Music Publishers Association and the Songwriters Association of Canada, as well as those that have significantly contributed to the Hall of Fame over the years: SOCAN, the Association des professionnels de l’édition musicale (APEM), and the Société professionnelle des auteurs et des compositeurs du Québec (SPACQ).

Following a nearly two-year re-development of the organization, in order to set a foundation for sustainable success, the Canadian Songwriters Hall of Fame in 2014 commenced activities to achieve and promote its mandate:

- The development and release of a new, transparent, content-rich online presence, including more than 300 video clips, audio tracks and song lyrics. The re-designed, bilingual website showcases the Hall of Fame’s extraordinary video footage from its past seven induction ceremonies, makes available audio and lyrics for inducted songs, and provides background on Canadian Songwriters Hall of Fame inductees.

- The launch of Educating Through Music, a national online education program, in time for the 2014-15 school year. Educating Through Music uses the music of Hall of Fame inductees to teach students in various subject areas, including History, Geography, Language Arts and Technology. Educating Through Music features English- and French-language, ready-made lesson plans for teachers to use towards their efforts in the classroom, along with supporting multi-media content; information about careers in the music industry; student activities; and more. The program is available to teachers and students via subscriptions purchased by schools.
• The establishment of a comprehensive, sustained program to ensure that all media content on the Canadian Songwriters Hall of Fame and education program websites is licensed for use. This project is in keeping with SOCAN’s commitment to transparency and advocacy of copyright, ensuring that rights-holders are appropriately remunerated for use of their work.

The Hall of Fame’s desire to stay fresh and innovative led it to explore new ways to increase the profile and visibility of Canada’s greatest songs and songwriters, and help promote Canadian artists. In pursuit of these objectives, and in collaboration with the CBC/Radio-Canada, the Canadian Songwriters Hall of Fame developed a new song induction program that would publicly honour and celebrate newly inducted songs with covers performed by our country’s brightest musical talents. The series, Covered Classics, was launched in February 2015.

**CANADIAN SONGWRITERS HALL OF FANE HIGHLIGHTS**

Since 2003, the Canadian Songwriters Hall of Fame has inducted:

- 133 songs
- 33 songwriters
- 17 individuals who have dedicated their lives to the legacy of music

You are encouraged and welcomed to find more information about the Canadian Songwriters Hall of Fame, and see and hear important Hall of Fame content, at the organization’s website, www.cshf.ca
SOCAN Foundation was established in 1992, as a distinct legal entity separate from SOCAN, to support events and projects benefitting songwriters, composers and music publishers. Details on SOCAN Foundation’s programs and activities are available on its website. In 2014, SOCAN Foundation provided core funding to 10 national associations, each of which ran programs that benefitted Canadian music creators and publishers. These organizations foster musical creativity and promote a better understanding of the role that music creators play in today’s society.

SOCAN Foundation’s Board of Directors approved grants in several categories, such as music festivals, international showcasing and educational initiatives, which benefited to 584 recipients.

For the current three-year term, the seven Foundation directors drawn from the SOCAN Board of Directors are Geneviève Côté (until March 2014), Victor Davies, Ed Henderson, Craig Horton, Glenn Morley, Earl Rosen and Marc Ouellette. The additional appointed directors are John Burge, Mario Chenart, Jean-François Denis (Foundation president), Ajene “Agile” Griffith and Murray McLauchlan.

The Foundation’s revenue is derived, in part, through funding from SOCAN, which amounted to approximately $1.6-million for the year 2014. The Foundation also earned approximately $348,000 in investment revenue from its own endowment fund and other sources. After expenses, the Foundation distributed $1.7-million through various grants and competitions.

In 2013, the Foundation streamlined its online grant-application process and grant review process, and completely restructured the content and functionality of its website, with a new version that was launched in January 2014. Further refinements and new features were added throughout 2014 and into 2015.
HIGHLIGHTS

- In 2014, SOCAN Foundation received a record 675 grant applications and approved 594 of them.

- More than $200,000 in grant payments went directly to Canadian songwriters and composers through two programs: Popular Music International Showcasing and Composer Outreach Residencies.

- In 2014, SOCAN Foundation completely restructured the technology behind its website and online grant-application system, introducing some new grants programs.

$1.7 MILLION
DISTRIBUTED THROUGH VARIOUS GRANTS AND COMPETITIONS

594 GRANTS APPROVED
MAJOR ACCOMPLISHMENTS BY SOCAN MEMBERS IN 2014

INTERNATIONAL

MAGIC! had a juggernaut of a smash hit song with “Rude,” a No. 1 song in Canada and the U.S. that spent six weeks in a row on top of the Billboard singles chart in 2014, with sales of more than 3 million units in America, 270,000 in Canada, and a video with more than 186 million views on YouTube.

Kiesza had a global hit in 2014 with her song “Hideaway,” with more than 220 million worldwide views on YouTube (and counting). The song reached No. 1 in the U.K., selling more than 136,000 copies in its first week, becoming the third-fastest selling single of 2014 in that country.

“Everything is Awesome,” the theme song that Josh Bartholomew co-wrote in 2014 for the hugely successful LEGO Movie, was nominated for both a Grammy and an Academy Award in 2015. The song was performed live on the worldwide Oscar telecast by fellow SOCAN members Tegan and Sara. Bartholomew’s co-write also earned him a SOCAN No. 1 Song Award – the first one that we’ve awarded for music in film.

SOCAN members Owen Pallett and Will Butler of Arcade Fire also earned a 2014 Academy Award nomination for Best Original Score, for their collaborative work on the movie Her. And speaking of Arcade Fire, the group was nominated for a 2014 Grammy Award in the Best Video category, for “We Exist,” while deadmau5 similarly earned a 2014 Grammy nod for Best Electronic Album.
In 2014, music publisher ole purchased Core Music, the 40-year home of music publishing for the legendary band Rush, and signed a deal with Moraine Music Group, publishing home of singing star Johnny Reid. Ole similarly acquired the 2101 Songs catalog from RedOne Productions, adding more than 1,000 songs to its catalogue, including hit songs recorded by Nicki Minaj, One Direction, Jennifer Lopez, David Guetta and Rihanna, and Pitbull and Marc Anthony. Ole also signed a worldwide administration deal with Nashville-based music publisher Artist Revolution, bringing the catalog and futures of acclaimed songwriter Jesse Rice to the company. The deal includes Florida Georgia Line’s hit single “Cruise,” co-written by Rice, which sold more than 7 million copies, and spent 24 weeks at the top of Billboard’s Hot Country Songs Chart.

Klô Pelgag toured extensively in France in 2014, getting rave reviews from the press there. She also won France’s Barbara Prize, Académie Charles-Cros Prize and the Grand Prix de la francophonie. In Québec, she was named both the Radio-Canada Discovery and the Discovery of the Year at the 2014 ADISQ Awards, and won the Breakout Award at the 2014 SOCAN Awards in Montréal.

Simon Wilcox’s co-write, “Jealous,” recorded by Nick Jonas, reached No. 7 on the U.S. Billboard Hot 100, becoming his highest charting single to that point. It also hit No. 1 on the U.S. Hot Dance Club Songs chart, and peaked at No. 2 on U.S. Billboard Mainstream Top 40 for five straight weeks. Jonas performed “Jealous” on Late Night with Seth Meyers, the Today show, the 2014 MTV Europe Music Awards, and The Ellen DeGeneres Show.

Chantal Kreviazuk and Raine Maida were appointed members of the Order of Canada for their achievements as Canadian musicians, and their charitable and humanitarian work. In late 2014, Kreviazuk appeared on Saturday Night Live alongside Jay Rock and Kendrick Lamar for their song “Pay For It,” also used in a Beats By Dr. Dre commercial.

In August 2014, Drake was honoured five times in three days in the U.S., as he took home an MTV Video Music Award (VMA) for “Hold On (We’re Going Home)” (feat. Majid Jordan) in the Best Hip-Hop Video category, and four BMI R&B/Hip-Hop Awards. The BMI honours were for his hit

In 2014, Pierre Lapointe won the prestigious Académie Charles-Cros prize, in France, for live performance. His piano-only album, Paris, tristesse, has received widespread critical acclaim both in France and in Québec.

“Tsunami,” co-written by DVBBS (Chris Andre and Alex Andre) with two other writers, reached No. 1 on the Official U.K. Singles Chart, and similarly topped no less than eight charts around the world – including the crucial and highly respected Beatport chart, as well as Top 5 on the U.S. Billboard Hot Dance Club Charts.

Shawn Mendes was discovered on Vine and became an overnight star in 2014. At age 15, Mendes was the youngest artist to ever debut in the Top 25, with a debut song, on the Billboard Hot 100. “Life of the Party” also went Top 10 in Canada and New Zealand, and Top 40 in Ireland and Sweden. The song was certified double-platinum (160,000 units sold) in Canada and gold (500,000 units sold) in the U.S., and The Shawn Mendes EP went Top 5 in both countries.

Nettwerk One Music undertook a joint publishing venture in 2014 with Nashville-based publisher Ten Ten Music Group, retaining a publishing interest in many hit songs, including several recorded by Miranda Lambert, Reba McEntire, Papa Roach, Blake Shelton and Alan Jackson. Nettwerk, 1916 MGMT and Black Box Music co-hosted the first annual Merge Songwriting Camp in Toronto, sponsored by SOCAN. There, Canadian talent collaborated with the world’s best (including Monsters & Strangerz, Jason Evignan and Chantal Kreviazuk), in a week of writing sessions where major record executives gave the writers daily tasks, discussing label priorities and which major artist(s) they’d be crafting for that day.
“Love Me Harder,” co-written by The Weeknd and recorded by Ariana Grade featuring The Weeknd, reached No. 1 on the Billboard Rhythmic Chart, and Top 10 on both the Billboard Hot 100 and the Billboard Mainstream Top 40 Charts.

DOMESTIC

Bobby Bazini’s platinum-certified Where I Belong was the biggest-selling record in Canada, made by a Canadian, in 2014, and was nominated at the 2015 JUNO Awards in the Album of the Year and Fan Choice Award categories.

At the 2014 Canadian Screen Awards, John Welsman won Best Original Music for a Non-Fiction TV Program or Series, for West Wind: The Vision of Tom Thomson; Tom Third won the Best Original Music Score for a TV Program, for Borealis; and Robert Carli won Best Original Music Score for a TV Series, for Cracked – “What We Can’t See.” On the film side, Danny Bensi and Saunder Jurriaans won Achievement In Music - Original Song, for their work on Enemy; and Jimmy Harry and Serena Ryder won Achievement In Music - Original Song, for “It’s No Mistake” from The Right Kind of Wrong. Similarly, Ramachandra Borcar won Quebec’s 2014 Jutra Award in the Best Original Music category for his contribution to Yan Lanouette Turgeon’s film Roche papier ciseaux [Rock paper Scissors].

Veteran singer-songwriter Serge Fiori’s self-titled album (his first solo recording in 28 years) sold more than 100,000 units in 2014, more than double-platinum (80,000). Serge Fiori won three honours at the 2014 ADISQ Awards: Adult Contemporary Album, (Best Selling) Album, and Producer (with Marc Pérusse) of the Year. Fiori also received three 2015 JUNO nominations.

Dave Gunning won the SOCAN-sponsored Songwriter of the Year Award – for his co-write with George Canyon, “These Hands” – at the 2014 East Coast Music Awards. Gunning also earned a second trophy, for Solo Recording of the Year, for his album No More Pennies. Old Man Lueddecke was another double-award-winner, taking home both Album and Folk Recording of the Year for Tender is the Night.
At the 2014 ADISQ Awards in Montreal, the top winner was Alex Nevsky, with awards in three categories: Pop Album (for *Himalaya mon amour*) Male Artist, and Song of the Year – for “On leur a fait croire,” co-written with Gabriel Gratton. The single also won ADISQ’s Most Downloaded Song Award of 2014, with more than 34,000 to date. Nevsky and Gratton also accumulated more than 15 weeks at the No. 1 spot on the BDS Chart with Nevsky’s singles “Vivre pauvre” and “Les coloriés.”

Del Barber won the SOCAN-sponsored Songwriter of the Year honours at the 2014 edition of the Western Canadian Music Awards. Barber, who won for the song “Big Smoke,” also earned the honour for Roots Solo Recording of the Year, for his album *Prairieography*.

Deric Ruttan won the Songwriter of the Year Award at the 2014 Canadian Country Music Awards. Ruttan co-wrote the winning song, “Mine Would Be You” – a huge U.S. hit song as performed by country superstar Blake Shelton. Gord Bamford not only took home Male Artist of the Year and Single of the Year (“When Your Lips Are So Close”), he also announced that he’d signed a deal with Sony Music in the U.S. Brett Kissel won two honours: Video (for “3-2-1”) and Interactive Artist of the Year.

At the 2014 JUNO Awards, Serena Ryder won both Songwriter and Artist of the Year; Tegan and Sara won Group, Single (for “Closer”) and Pop Album (for *Heartthrob*) of the Year; and Ron Sexsmith earned a standing ovation for winning Adult Alternative Album of the Year (for *Forever Endeavour*).
The 25th Anniversary SOCAN Awards

The Canadian music industry gathered at the Harbour Castle Hotel in Toronto on June 16, 2014, to honour Canada’s most successful songwriters, composers and music publishers at the 25th anniversary edition of the SOCAN Awards.

Major achievement recipients – who received the first-ever presentations of SOCAN’s innovative new trophy, “The SOCAN”, which also doubles as a musical instrument – were:

- Gordon Lightfoot – Lifetime Achievement Award, author of nearly 300 published songs, including many of the greatest in the Canadian repertory of classics.

- Drake – Global Inspiration Award, directly responsible for a music ecosystem propelling the careers of dozens of songwriters, beat-makers and producers.

- Carly Rae Jepsen, Tavish Crowe and Josh Ramsay – International Achievement Award, for the worldwide phenomenon of the instant pop classic “Call Me Maybe.”

- Bill Henderson – Special Achievement Award, for his work as the creative genius behind Chilliwack and his prodigious contributions to Canada’s music industry.

- Ian Thomas – National Achievement Award, the writer of such enduring Canadian radio hits as “Painted Ladies,” and “Hold On,” who’s had songs covered by Santana, Chicago, Bette Midler and America.

Tom Cochrane and Gordon Lightfoot
SOCAN members such as Dragonette, Kathleen Edwards and Jill Barber were also on hand to receive their awards. The packed house was thrilled with numerous live performances, including those by 2013 SOCAN Songwriting prize winner Mo Kenney, who played “Sucker” and “Dancing”; Mia Martina, who played “#HFH”; Stephan Moccio, who played a stripped-down, as-it-was-first-written version of his huge hit co-write “Wrecking Ball,” which won an International Song Award and SOCAN’s first-ever Online Streaming Award; Rose Cousins and Whitehorse, who each paid tribute to Gordon Lightfoot with versions of “If You Could Read My Mind” and “Sundown,” respectively, and who were thanked for them by Lightfoot himself; and Johnny Reid, Alan Frew, Marty Dodson and Glass Tiger, with vocal group Countermeasure, who rocked the house with Reid’s powerful worldwide smash, “Fire it Up,” which won a Country Music Award.

SOCAN members receiving songwriting honours included: Serena Ryder for “Stompa” and “What I Wouldn’t Do” in the Pop/Rock category; Mark Pellizer of MAGIC! for co-writing “Inner Ninja,” in the Urban category; and Deric Ruttan for co-writing the Blake Shelton U.S. No. 1 hit “Mine Would Be You,” in the Country category.

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Left to right: Ben Kowalewicz, Ian D’Sa, Jon Gallant and Mike Boyd at a SOCAN No.1 Award party for Billy Talent.
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Similarly, the 25th annual Francophone SOCAN Awards, held December 2, 2014, at the Hyatt Regency Montreal, celebrated the achievements of new artists such as Klô Pelgag and Alex Nevsky as well as the careers of seasoned veterans like Paul Daraîche and Jean Millaire. “Country Gentleman” George Hamel received the Lifetime Achievement Award posthumously, and Céline Dion manager (and husband) René Angelil was presented with the Inspiration Award.

Luc Plamondon received his 29th and 30th SOCAN Classics Awards (recognizing older songs that have received more than 25,000 radio plays) for “Monopolis,” co-written with Michel Berger, and “Moi Tarzan, toi Jane,” his first co-write with Robert Charlebois. Plamondon thus became the most celebrated writer of the SOCAN Awards since they were created in 1990.

The opening performance of the evening was a retrospective look at some of Québec’s most popular songs celebrated by SOCAN over the past 25 years, with Karim Ouellet singing “Mes Blues passent pu dans porte” and Alex Nevsky performing “Ils s’aiment,” among others. Other songs were performed by Marie-Pierre Arthur and Antoine Gratton, while Rivard sang Nevsky’s award-winning “On leur a fait croire.”

Ouellet won SOCAN Awards for the first time, thanks to “L’Amour,” co-written with Claude Bégin, which won the Popular Song and Streaming Music honours. The International Award was presented to another new artist, Half Moon Run. Popular singer Paul Daraïche was warmly applauded as he received the Country Music Award, while SOCAN just as warmly recognized Audiogram founder Michel Bélanger with the Special Achievement Award, saluting his 40-year career in the music industry and Audiogram’s 30th Anniversary.

Songs honoured for their radio success in 2013 included “Comme on attend le printemps” by Marc Dupré and Nelson Minville, “Si tel est ton désir” by Daniel Bélanger, and “Nous sommes les mêmes” by Marie-Mai and Fred St-Gelais, who also won the Songwriters of the Year Award. “This is the best award we’ve received since the beginning of our career,” Marie-Mai said. “What we like to do most is write songs.”
SOCAN was proud to celebrate many of our members’ chart-topping achievements with our No. 1 Song Awards

“Anything” and “Crazy for You”  
Performer: Hedley  
Writers: Jason Van Poederooyen, Brian Howes, Jacob Hoggard  
Publishers: EMI Blackwood Music Canada Ltd., Universal Music Publishing Canada, 8 Pack of Lucky Publishing. (“Crazy for You” is also published by High Buck Publishing.)  
Reached No. 1 on: MuchMusic Countdown chart, Nov. 15, 2013 (“Anything”) and May 2, 2014 (“Crazy for You”).

“Bounty”  
Performer: Dean Brody  
Writer: Dean Brody  
Publishers: Roots 3 Music Inc., ole Media Management LP  
Reached No. 1 on: CMT Countdown on Nov. 8, 2013

“Everything is AWESOME!!!”  
Performer: The Lego Movie theme song  
Writers: Josh Bartholomew, Shawn Patterson (ASCAP), Lisa Harriton (ASCAP)  
Reached No. 1 on: North American box office, in February 2014

“Gone Gone Gone”  
Performer: Phillip Phillips  
Writers: Todd Clark, Derek Fuhrmann (ASCAP), Greg Wattenberg (ASCAP)  
Publishers: BMG Rights Management Canada, Fintage Publishing Canada, EMI April Music Canada Ltd.  
Reached No. 1 on: Billboard Adult Album Alternative Airplay chart, May 4, 2013

“Heaven in Our Headlights”  
Performer: Hedley  
Writers: Jacob Hoggard, Brian Howes, Nolan Sipe (ASCAP)  
Reached No. 1 on: MuchMusic Countdown Chart on Sept. 5, 2014
“Hell Raisin’ Good Time”
Performer: Tim Hicks
Writers: Tim Hicks, Casey Marshall, Neil Sanderson, Jeffrey Coplan (ASCAP)
Publishers: Roots 3 Music Inc., ole Media Management LP II, EMI Blackwood Music Canada Ltd.,
Night Hawk Publishing, Noe Valley Music Rights, Standup Triple Music
Reached No. 1 on: CMT Countdown, July 7, 2013

“Hold On, We’re Going Home”
Performer: Drake
Writers: Drake, Majid Al Maskati, Jordan Ullman, Paul
“Nineteen85” Jefferies, Noah “40” Shebib
Publishers: EMI April Music Canada Ltd., Kobalt Music Publishing Canada Ltd., Warner Chappell Music Canada,
Nyan King Music Ltd.
Reached No. 1 on: Billboard R&B/Hip-Hop Airplay Chart on Oct. 12, 2013, and MuchMusic Countdown on Nov. 21, 2013

“Je crie ton nom,” (“I Call Your Name”)
Performer: Jonas
Writers: Jonas, Simon Wilcox, Justin Gray, Mark Holman (BMI), Martin Frederikson (BMI)
Publishers: BMG Rights Management Canada, Slice Records, Fun Cooker/Peermusic Canada Inc.
Reached No. 1 on: Palmarès BDS Chart on Dec. 23, 2013
Award presented at: Merge Songwriting Camp, Revolution Recording, Toronto

“Jealous (I Ain’t with It),”
Performer: Chromeo
Writers: David Macklovitch, Patrick Gemayel, Olivier Goldstein (ASCAP)
Publisher: Nettwerk One Music Canada
Reached No. 1 on: MuchMusic Countdown on Aug. 1, 2014

“Just Like You,” “Home,” “Animal I Have Become,” “Pain,”
“Never Too Late,” “Break,” “The Good Life,” “World So Cold,” “Chalk Outline,” “The High Road,” “Misery Loves My Company,” “Painkiller”
Performer: Three Days Grace
Writers: Neil Sanderson, Barry Stock, Brad Walst (all 12 songs),
Matt Walst, Gavin Brown,
Adam Gontier, Simon Wilcox, Naomi Brewer (some songs)
Reached No. 1 on: Billboard U.S. Active Rock Chart over the past few years

“Red Hands”
Performer: Walk Off the Earth
Writers: Gianni Luminati, Sarah Blackwood, Ryan Marshall, Thomas “Tawgs” Salter
Publishers: Sony/ATV Music Publishing Canada
Reached No. 1 on: Billboard Adult American Alternative Chart in 2013

“Rude”
Performer: MAGIC!
Writers: Adam Messinger, Nasri Atweh, Mark Pelli, Ben Spivak, Alex Tanas
Publishers: Sony/ATV Music Publishing Canada, Messy Music
Reached No. 1 on: Nielsen BDS Hot AC Chart, Mar. 24, 2014

“Rude,” “Mistletoe,” “Feel This Moment”
Performers: MAGIC! (“Rude”), Justin Bieber (“Mistletoe”), Pitbull feat. Christina Aguilera (“Feel This Moment”)
Writers: Adam Messinger (co-writer of all three songs), Nolan “Sir Nolan” Lambroza (BMI) (co-writer of “Feel This Moment”), and many others

“Started with a Song” and “3-2-1”
Performer: Brett Kissel
Writers: Brett Kissel, Craig Wiseman (ASCAP) for “Song”; Brett Kissel, Marvin Green (BMI) and Timothy Nichols (BMI) for “3-2-1”
Publishers: O’Reilly International Inc., Bouncy Bear Music, Big Loud Shirt (for “3-2-1” only)
Reached No. 1 on: CMT Countdown, Sept. 21, 2013, and June 7, 2014, respectively
“Stompa” and “What I Wouldn’t Do”  
Performer: Serena Ryder  
Writers: Serena Ryder, Jerrold Bettis (ASCAP)  
Reached No. 1 on: M3 Countdown on Mar. 29 and Aug. 9, 2013, respectively

“Surprise Surprise” and “Stand Up and Run”  
Performer: Billy Talent  
Writers: Ben Kowalewicz, Ian D’sa, Jonathan Gallant, Aaron Solowoniuk  
Publishers: Dudebox Music, EMI April Music Canada Ltd.  
Reached No. 1 on: Nielsen’s BDS Album Rock charts in 2013

“Thirst”  
Performer: City and Colour  
Writers: Dallas Green  
Publishers: Always the Same  
Reached No. 1 on: M3 Countdown, Sept. 6, 2013

“Tsunami”  
Performer: DVBBS  
Writers: Chris Andre, Alex Andre, DJ Borgeous (ASCAP) Niles Hollowell-Dhar (ASCAP)  
Publishers: Sony/ATV Music Publishing Canada, Indie Pop Music (ASCAP) and Musicalallstars BV (BUMA)  
Reached No. 1 on: Official U.K. Singles Chart, Mar. 22, 2014

“Un Coup Sur Mon Coeur” (French version of “Kiss Goodnight”)  
Performer: Marc Dupré  
Writers: Tyler Shaw, Marc Dupré, Nelson Minville, Fred St.-Gelais, Christopher Ward, Rob Wells  
Reached No. 1 on: Palmarès BDS, Aug. 19, 2013
“We’re All in This Together”
Performer: Sam Roberts Band
Writers: Sam Roberts
Reached No. 1 on: Nielsen BDS Album Rock Chart on January 20, 2014.

“When Your Lips are So Close”
Performer: Gord Bamford
Writers: Bamford, Brent Baxter (ASCAP), Byron Hill (ASCAP)
Publishers: ole, Pretty Paisley Publishing
Reached No. 1 on: Nielsen BDS Country Chart on Nov. 18, 2013

“Wrecking Ball”
Performer: Miley Cyrus
Writers: Stephan Moccio, Lukasz “Dr. Luke” Gottwald, Maureen “Mozella” McDonald, Henry “Cirkut” Walter (all ASCAP) and Sacha Skarbeck (PRS), and is published by Sing Little Penguin, Universal Music Publishing Canada
Reached No. 1 on: Billboard Hot 100 Chart on Sept. 28, 2013

THE FOLLOWING FRANCOPHONE SONGWRITER MEMBERS ACHIEVED THE NO. 1 POSITION ON QUEBEC’S BDS CHARTS AND WERE HONOURED BY SOCAN IN 2014:

“Jamais trop tard”
Performer: Marie-Mai et Jonas
Writers: Marie-Mai, Fred St-Gelais

“Je crie ton nom”
Performer: Jonas and The Massive Attraction
Writers: Jonas, Simon Wilcox, Mark Holman, Justin Gray, Martin Frederiksen, Nelson Minville (adaptation)
Publishers: Big Slice Records Inc., Fun Cooker
“J’sais pu comment t’aimer”
Performer: Kaïn
Writer: Steve Veilleux
Publisher: Éditions Groupe Archambault.

“L’amour,” “Marie-Jo” and “Rien ne sert de courir”
Performer: Karim Ouellet
Writers: Karim Ouellet, Claude Bégin
Publisher: Coyote Records

“L’amour c’est pas pour les peureux” and “Loin”
Performer: Vincent Vallières
Writer: Vincent Vallières
Publisher: Éditions Trente Arpents

“On leur a fait croire” and “Les coloriés”
Performer: Alex Nevsky
Writers: Alex Nevsky, Gabriel Gratton
Publisher: Éditorial Avenue
SOCAN ALSO HONOURED THE FOLLOWING PUBLISHER MEMBERS AT A SPECIAL CEREMONY HELD IN 2014:

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<th>Song</th>
<th>Publisher</th>
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<td>MuchMusic Countdown</td>
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<td>MuchMusic Countdown</td>
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<td>“Mine Would be You”</td>
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<td>“Red Hands”</td>
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<td>“Rude”</td>
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<td>Rob Wells</td>
<td>Palmares BDS</td>
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<td>“We’re All in This Together”</td>
<td>Universal Music Publishing Canada</td>
<td>Sam Roberts</td>
<td>Nielsen BDS Rock</td>
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<td>MuchMusic Countdown</td>
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The 2014 SOCAN Songwriting Prize

The ninth year of the prestigious SOCAN Songwriting Prize celebrated the best Canadian music written by emerging English and French songwriters over the past year.

For 30 days, votes were cast online for the English and French nominees’ songs. Fans voted for one of the five nominated songs – nominated by a panel of music industry experts – in each of the English- and French-language contests.

Montreal-based singer-songwriter Alejandra Ribera emerged won the English 2014 SOCAN Songwriting Prize for her song “I Want,” and her fellow Montrealer Patrice Michaud achieved the equivalent Francophone prize for his song “Mécaniques générales.”

Ribera and Michaud each took home $5,000, a Gibson 1941 SJ-100 acoustic guitar (courtesy of Gibson Canada), and a prize pack from sponsors Roland Canada consisting of a BOSS Micro-BR BR-80 Digital Recorder, two CM-30 CUBE Monitors, and one set of RH-300 Stereo Headphones.

Michaud visited the SOCAN offices in Montreal to receive his cheque and prizes. He said, “Measuring how much the public loves your song is always a very strange, and even more moving, experience. I don’t know if one eventually gets over that feeling. I hope not. Many thanks to SOCAN and everyone who voted.”

Ribera, meanwhile, made a visit to SOCAN Toronto offices to claim her prizes, play a few songs for our staff, and answer some friendly questions. “I’m really, really touched that you all came,” Ribera told a packed room of SOCAN staff. “Thank you for coming out and sharing this moment with me.” She explained that “I Want” grew out of an overwhelming post-relationship sadness, where she “couldn’t see the point of doing anything without this person,” and couldn’t even write a song about it. When an old friend and teacher suggested that she write about what she wanted in her life, instead of what was happening in her life, the song was born.

The other nominated English songs were:

- “Emeralds Shatter” – written and performed by Louise Burns
- “Gold” – written by Colyn Cameron; performed by Wake Owl; published by BMG Rights Management Canada
• “Having You Around” – written by Peter Dreimanis, Leah Fay, Eamon McGrath, Daniel Miles, and Josh Warburto; performed by July Talk; published by July Talk Music Inc.

• “Reservoir” – written by Stefan Babcock, Nestor Chumack, Zachary Mykula and Steven Sladkowski; performed by PUP

THE OTHER NOMINATED FRENCH SONGS WERE:

• “Andromède” – written and performed by Louis-Philippe Gingras

• “La fièvre des fleurs” – written and performed by Klô Pelgag; published by Éditions Coop Faux Monnayeurs, David Murphy & cie

• “Nos corps” – written by Jimmy Hunt, Emmanuel Éthier, and Christophe Lamarche Ledoux; performed by Jimmy Hunt; published by Les Éditions Dare to Care

• “Soleil blanc” – written and performed by Philémon Cimon; published by Éditorial Avenue

The SOCAN Songwriting Prize continues to build its reputation in both French and English as the most prestigious award for emerging Canadian songwriters, and we look forward to showcasing more of Canada’s amazing talent going forward.
WHO WE ARE

SOCAN is a member-based and member-governed organization that represents the Canadian performing rights of more than three-million Canadian and international music creators and publishers. SOCAN is proud to play a leading role in supporting the long-term success of its more than 125,000 Canadian members, and the Canadian music industry overall. SOCAN licenses more than 125,000 businesses in Canada, and distributes royalties to its members and music rights organizations (MROs) around the world. SOCAN also distributes royalties to its members for the use of their music internationally in collaboration with its peer MROs. www.socan.ca

STRATEGY

SOCAN’s activities are prepared and deployed within the framework of a five-year Strategic Plan, which is refreshed and renewed annually. We welcome you to read our plan.

VISION

To raise the bar for music rights.

BUSINESS PURPOSE

SOCAN serves and champions music creators and publishers. We advocate for them and protect their rights, license access to the world’s music, and collect and distribute royalties in Canada and around the world.

STRATEGIC OBJECTIVES

• Improve Member Recruitment and Retention

• Increase, Maintain and Develop Revenue Sources

• Optimize / Improve Value

• Strengthen Reputation with Industry Stakeholders
• Improve Visibility of Copyright Advocacy

• Expand Role

• Transform Corporate Culture

GOVERNANCE

Core to SOCAN’s operational success is a robust governance structure that helps us to maintain the trust and respect of members, licensees, employees, media and the government, and allows us to operate in an open and transparent way.

We pride ourselves on a sound governance structure that supports us in achieving our Vision and Strategic Objectives. This structure includes a Code of Conduct for Directors and a Policy on Committees of the Board. There is a regular evaluation of the CEO’s performance process by the Board and a self-assessment questionnaire completed by the directors to measure the Board’s own performance.

SOCAN provides an orientation program on Governance Policies and Procedures for new directors, and a refresher for returning directors. Directors are provided with a Resource Guide at the start of their three-year term and there are structured education and orientation sessions. While the formal interface between the Board and Management is through the CEO, there are numerous opportunities, both formal and informal, for Board members to interact with management. Directors are encouraged to discuss matters that they may wish to pursue with management. Board members are also able to meet with other employees at social functions throughout the year.

For full Governance information, please visit socan.ca.
BOARD OF DIRECTORS

FROM LEFT TO RIGHT

FRONT ROW:
Gary Furniss, Sony/ATV Music Canada Publishing
Victor Davies, Composer
Vivian Barclay, Warner Chappel Music Canada Ltd
Stan Meissner, Board President, Songwriter
Gilles Valiquette, Songwriter
Earl Rosen, de Sade Songs
Patrick Curley, Third Side Music

MIDDLE ROW:
Ed Henderson, Composer
Marc Ouellette, Composer
Ben Mink, Songwriter
Neville Quinlan, peermusic Canada
Jean-Robert Bisaillon, Songwriter
Glenn Morley, Composer

BACK ROW:
Craig Horton, Nettwerk Music Publishing
Denis Wolff, Ho-Tune Musique
Rosaire Archambault, Éditorial Avenue

ABSENT:
Jennifer Mitchell, Casablanca Media Publishing Inc.
Jim Vallance, Songwriter
EXECCUTIVE TEAM

LEFT TO RIGHT

FRONT ROW
Catharine Saxberg, Vice President – International Relations
Eric Baptiste, Chief Executive Officer
Geneviève Côté, Chief Québec Affairs Officer

BACK ROW
Janice Scott, Vice President – Information Technology
Andrew Berthoff, Chief Communications & Marketing Officer
Kit Wheeler, Vice President – Distribution
Gilles Daigle, General Counsel – Legal Services
Michael McCarty, Chief Membership & Business Development Officer
Randy Wark, Chief Administrative Officer
Jeff King, Chief Operating Officer
David Wood, Chief Financial Officer

ABSENT:
Jennifer Brown, Vice President – Licensing
A common thread weaves through SOCAN: every employee loves music and believes in the rights of music creators and publishers to be compensated fairly. This attitude is prevalent in everything we do and heavily influences SOCAN’s company culture. Whether listening to music in the office, playing our in-house piano (in Toronto, kindly loaned to us by member Stephan Moccio), attending our members’ live performances, decorating work stations with music paraphernalia, SOCAN employees’ love of music can be heard and seen everywhere.

But there’s more to SOCAN’s culture than just loving music. We also take great pride in supporting and giving back to the community in which we operate, and promoting the cultural diversity, and health and well-being of our 250-plus employees. Here’s just some of ways SOCAN achieved this in 2014:

**SICKKIDS CORPORATE ICEWAVE CHALLENGE**
SOCAN colleagues, relatives and friends participated again in the annual *Corporate IceWave Challenge*, Toronto’s largest indoor beach volleyball tournament on January 31, in support of children receiving treatment for cancer at SickKids hospital in Toronto.

**TAKE OUR KIDS TO WORK DAY**
SOCAN had the pleasure of hosting students for the annual *Take Our Kids to Work Day* in July, an event initiated by The Learning Partnership, a charitable organization dedicated to advancing publicly-funded education in Canada. SOCAN was awarded an Honourable Mention for our outstanding performance and contribution to *Take Our Kids to Work Day* activities, and for our role in the development of young Canadians, through our community spirit and employee engagement.

**SHERIDAN COLLEGE**
In an effort to provide students with ‘real world’ experience and build their portfolios, the SOCAN Communications & Marketing team reached out to Sheridan College’s Faculty of Visual and Creative Arts to engage animation students to create a SOCAN 101 video that explains what SOCAN is all about.

**NORTH YORK HARVEST FOOD BANK**
SOCAN employees held a Halloween bake sale for everyone at the Toronto office, which raised $200 for the North York Harvest Food Bank. With over 75,000 visits from Toronto residents to GTA food banks each month, it’s important for SOCAN employees to contribute to families in need, especially during the holiday season.
ALS CANADA

SOCAN staff dared COO Jeff King to take the ALS Ice Bucket Challenge by dousing him with ice cold water, and dying his beard bright pink. Joining millions of others around the world in this viral campaign, our employees raised $450 for the Amyotrophic Lateral Sclerosis Association (ALS).

EMPLOYEE HEALTH & WELLNESS

Healthy employees are generally known to be happier and more productive. This is why SOCAN made every effort in 2014 to promote health and wellness through initiatives such as the Employee Health & Wellness Fair – an event where companies visited SOCAN and provided valuable health and wellness tips and services – and the establishment of an on-site gym for employees.

SOCIALLY CONSCIOUS

The SOCAN Social Committee is tasked every year with organizing events to bring employees together to help build camaraderie and showcase SOCAN spirit. Events such as Ice Cream Day, Diversity Day, People.Connected. Day, the Holiday Party, Halloween and Valentine’s Day, were just some of the ways the Social Committee helped foster corporate culture in 2014 and rewarded employees for all their hard work and dedication to the company.